

weekly economic review

December 6, 2013

Labour Market

Strong job growth resumes

Alberta added 10,600 net new jobs in November after two months of modest gains. Over the last 12 months, Alberta has posted the highest employment growth among the provinces at 3.6%, having created 78,100 jobs. Alberta job gains over the last twelve months account for roughly 44% of net new jobs added in Canada (see chart).

Despite the strong job growth, the unemployment rate in Alberta moved up to 4.7% in November from 4.4%. Growth in the labour force (+18,000) outpaced the impressive job growth.

Building Permits

Value of permits jump

The total value of building permits in Alberta soared in October, increasing 23.6% y/y as a result of exceptional residential permit growth (+37.2%). Residential permits were led by exceptionally strong apartment and single dwelling numbers. The value of non-residential permits grew 6.0% over October 2012, with robust growth in commercial permits offset slightly by weak industrial numbers.

International Merchandise Trade

Exports continue to rally

Energy continues to drive exceptional growth in exports, with total exports increasing 19.0% in October over the same month last year. Exports have grown 6.8% year-to-date. Energy exports increased 26.1% and are now up 9.2% year-to-date. Basic & industrial chemical, plastics, and

rubber products continue to post strong growth, up 15.8% in October.

At the national level, exports increased 6.8% year-over-year due to energy, forestry, and basic & industrial chemical, plastics exports.

Residential Construction Investment

Investment breaks new ground

The value of residential construction investment in Alberta built on the record set last quarter, reaching \$4.2 billion in the third quarter, a 5.0% increase over Q3 2012. Construction of new dwellings continue to drive investment, increasing 11.4% in Q3, while renovations have fallen 10.0% over the same period.

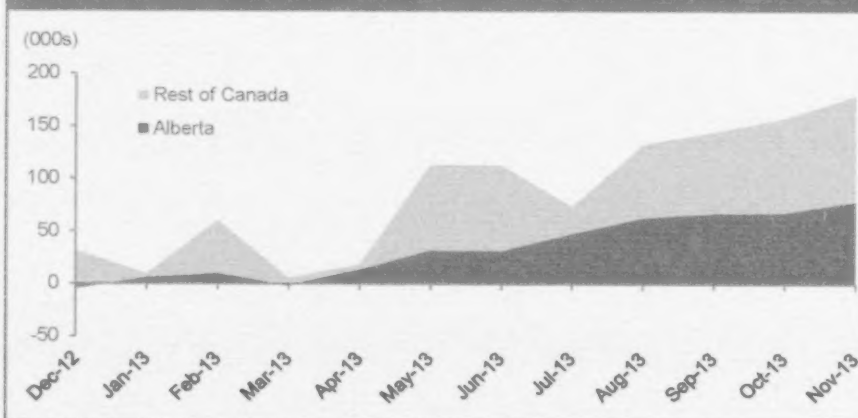
Nationally, residential investment dropped 1.1% year-over-year in the third quarter, the first negative year-over-year reading since Q2 2011.

US Employment

Labour market showing signs of strength

The US economy added 203,000 jobs in November up slightly from 200,000 jobs in October. Meanwhile, the US unemployment rate fell 0.3 percentage points to 7.0%. Some of the decline in the unemployment rate was due to 377,000 fewer people on temporary layoffs, the bulk of whom were employees furloughed during the government shutdown. The strong jobs report was greeted enthusiastically by markets, the S&P 500, Dow Jones and Nasdaq were all up roughly 1% during the trading day.

Cumulative Month-Over-Month Employment Growth in 2013



Source: Statistics Canada

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Closing Price	Nov. 28, 2013	Dec. 5, 2013	2013-14 Fiscal YTD
Canadian Dollar (US\$/CAN)	94.38	94.00	96.54
WTI Oil (\$US/bbl)	92.30	97.38	99.28
NYMEX Natural Gas(\$US/MMBtu)	3.90	4.13	3.76



Treasury Board
and Finance

Economics, Demography and Public Finance

Alberta Economic Indicators

Population	2011	2012	2013YTD	June	July	Aug	Sept	Oct	Nov
Population (000's)	3,790	3,889	4,025		4,025				
y/y % change	1.5	2.6	3.5		3.5				
Net Interprovincial Migration ¹	8,443	27,652	52,677		13,791				
Net International Migration ¹	19,411	40,842	52,551		20,487				
Net Non-permanent Residents ¹	7,251	10,085	19,560		10,472				
Labour Market									
NEW! Employment (000's), SA	2,094	2,149	2,207	2,201	2,217	2,232	2,236	2,237	2,248
y/y % change	3.8	2.6	2.7	2.6	3.0	3.6	3.7	3.5	3.6
NEW! Unemployment Rate (%), SA	5.5	4.6	4.6	5.0	4.5	4.8	4.3	4.4	4.7
NEW! Participation Rate (%), SA	73.7	73.4	73.0	73.1	73.0	73.6	73.1	73.0	73.4
Average Weekly Earnings (\$), SA	1,035.75	1,072.98	1,103.77	1,104.47	1,103.08	1,110.83	1,114.95		
y/y % change	4.4	3.6	3.2	3.4	2.1	0.8	2.6		
Price Indices									
Consumer Price Index (y/y % change)	2.4	1.1	1.4	2.3	2.2	1.4	1.3	1.0	
Excluding food and energy	0.8	1.4	1.3	1.6	1.9	1.6	1.5	1.6	
Non-Hed. Building Cons. Price Index ² (y/y % change)	3.4	3.8	1.2	0.9			1.2		
Farm Product Price Index (y/y % change)	18.1	8.3	4.4	5.1	4.6	2.5	2.5		
Crops	19.0	6.7	4.7	6.5	2.5	-4.2	-6.0		
Livestock	17.2	5.9	3.9	4.4	6.9	7.0	10.0		
Household Sector									
Housing Starts (SAAR, 000's)	25.5	33.3	35.4	38.1	35.6	28.8	30.8	37.2	
y/y % change	-5.0	30.7	7.3	12.8	7.2	-1.7	-7.7	10.3	
New Housing Price Index ² (y/y % change)	0.4	1.6	2.7	2.9	3.0	3.3	3.1		
Edmonton	0.9	0.9	0.6	0.6	0.6	0.8	0.2		
Calgary	-0.1	1.7	4.9	5.3	5.8	6.1	6.4		
MLS Average Resale Prices (\$ 000's)	352.7	362.0	378.4	376.5	378.7	387.2	384.3	381.3	
y/y % change	0.5	2.6	5.2	4.4	4.9	6.6	7.8	4.0	
Edmonton (\$ 000's)	324.2	332.7	342.4	341.7	340.4	347.5	346.9	339.9	
y/y % change	0.7	2.6	3.4	3.7	2.9	4.2	7.7	0.0	
Calgary (\$ 000's)	401.9	410.8	433.6	431	438.7	440.8	436.5	438.3	
y/y % change	1.1	2.2	6.6	5.3	6.8	7.8	8.6	4.2	
Retail Sales, SA (y/y % change)	6.8	6.9	6.4	7.9	6.3	5.7	6.3		
New Motor Vehicle Sales (y/y % change)	9.6	10.5	6.1	3.4	6.5	7.0	2.1		
Consumer Bankruptcies	7029	5759	3699	375	385	379	375		
y/y % change	-13.8	-18.1	-17.8	-22.5	-21.3	-16.5	-10.9		
Business Sector									
Rigs Drilling	286	250	233	115	187	239	251	239	233
y/y % change	30.4	-12.6	-5.5	-17.1	-5.9	7.0	3.6	1.0	-9.8
NEW! Goods Exports, customs based (y/y % change)	18.4	2.9	6.8	-0.6	9.1	7.6	16.6	19.0	
Energy	19.2	3.6	9.2	0.3	11.1	12.6	25.7	26.1	
Farm, Fishing and Intermediate Food	27.2	20.6	-7.7	-18.4	1.8	-24.2	-27.5	-14.8	
Farm Cash Receipts (quarterly, y/y % change)	16.7	14.1	2.1	3.5			3.4		
Manufacturing Shipments, SA (y/y % change)	17.3	3.4	0.7	3.6	3.6	8.1	2.2		
Wholesale Trade, SA (y/y % change)	14.7	10.9	2.2	1.7	2.2	1.4	1.6		
NEW! Building Permits, SA (y/y % change)	11.8	14.8	21.2	21.6	50.4	1.1	29.9	23.6	
Residential	5.2	18.2	18.6	16.6	29.1	-5.9	99.5	37.2	
Non-residential	20.9	10.7	24.8	28.5	79.7	12.3	14.7	6.0	
Business Bankruptcies	264	230	100	9	9	7	13		
y/y % change	-30.2	-12.9	-44.8	-59.1	-43.8	-30.0	38.1		

¹ Quarterly; annual numbers are presented on a census year basis (July 1 - June 30)² Quarterly; average of Calgary and Edmonton³ Average of Calgary and Edmonton

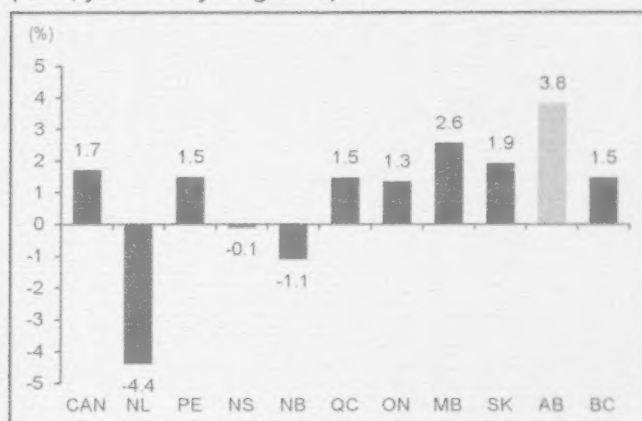
YTD (year-to-date) represents the change since the beginning of the year compared to the same period in the previous year. "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate

Sources: All data are from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canada Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (office of the superintendent of Bankruptcy Canada).

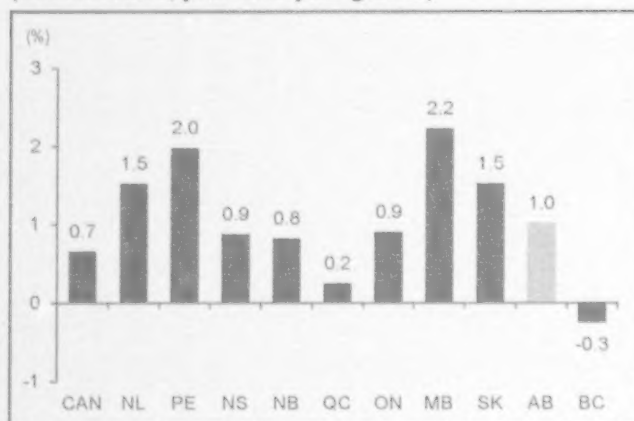
All historical data are subject to revision.

Economic Indicators by Province

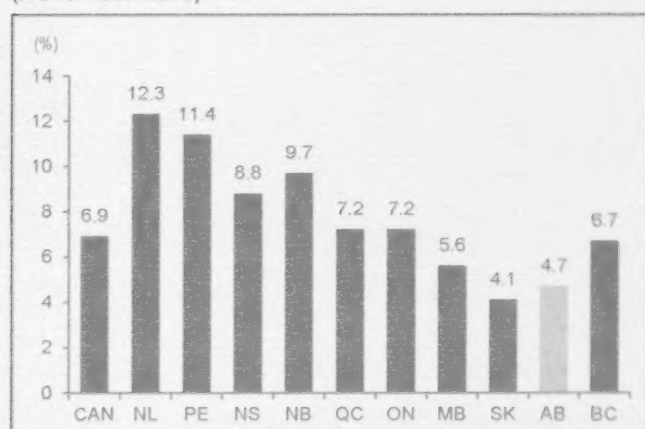
Real GDP at Market Prices
(2012, year-over-year growth)



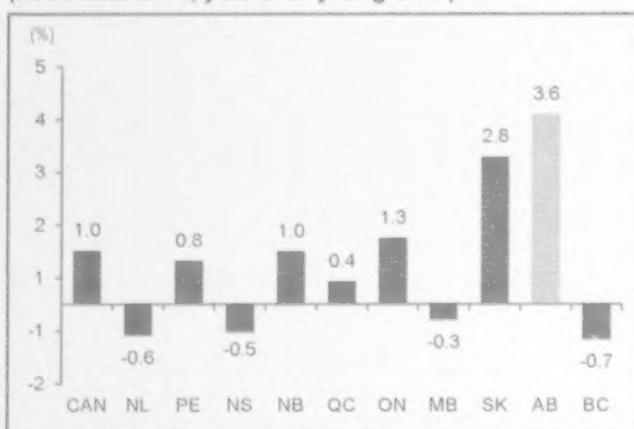
CPI Inflation
(October 2013, year-over-year growth)



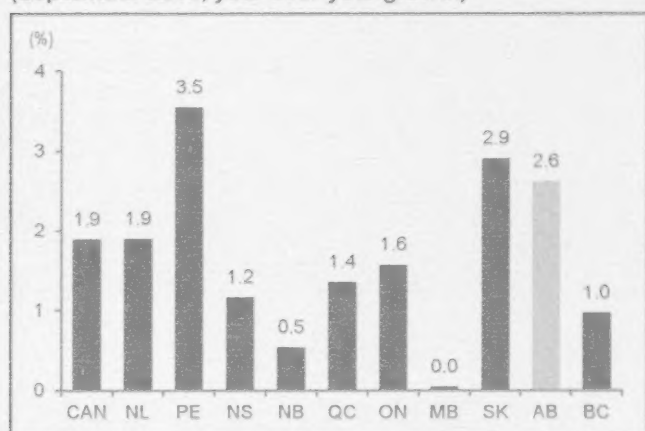
Unemployment Rate
(November 2013)



Employment
(November 2013, year-over-year growth)



Average Weekly Earnings
(September 2013, year-over-year growth)



Housing Starts
(October 2013, SAAR, year-over-year growth)

